Provident Insurance Societies Bill.

President.—Before the bill is taken up and passed, there is another amendment admitted yesterday in the name of Mr. P. Krishna Menon to section 1, clause 3.

Mr. P. Krishna Menon.—*Add after the word 'on' in section 1, clause 3 the words 'a day to be notified by Government at least 6 months before.'*

Mr. President, the House may remember that at the last occasion when we were on the second reading of the bill I had the misfortune to move a number of amendments which I thought were absolutely necessary to make the law workable in the State. Though I was not able to carry the amendments which will lessen the hardships upon the Companies who will be affected by the passing of this legislation, I think it is still my dûty to propose this amendment not in the interests of the Companies as I was ascribed to be doing the other day, but to-day I move this amendment in the interests of the policy-holders themselves. No doubt the serious charge that was made against the Companies themselves the other day were to the effect that they were practically exploiting the innocent and the poor. To some extent if that is true the object has been gained. Therefore it becomes absolutely necessary not only to prevent future exploitation but also to give some sort of help to those who have already been exploited. Now, how it happens that this amendment if accepted will be a sort of help to the policy-holders I shall very very briefly explain. As the law now proposed to be enacted stands, there are two or three provisions in the bill which I am almost sure will be carried out except in very exceptional cases and by Companies who are in a position to do so. In the case of the other Companies the moment the law is passed certainly I am afraid they will have to shut their doors and make the exit. Then comes the question of the plight into which these policyholders are thrown. It is to safeguard their interests that I by this amendment propose to give some breathing time both to the Companies in one way and to the policy-holders themselves in another way. That is, it seems there is a method of converting the present system into something more reasonable and if time is given to the Companies and the policy-holders to effect such changes their interests will be served. Therefore as was argued the other day that the bill itself is in the interests of the poor, I again now say that the amendment is also in the interests of the poor who will be deprived of every pie that has been subscribed by them because the Companies themselves will cease work. Therefore what I propose by the amendment is only to give some time for these people to adjust matters which

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could be easily done without violating any of the principles enunciated in the bill itself. My amendment is only to the effect to "Add after the word 'on' in Section I, Clause 3 the words 'a day to be notified by Government at least six months before'. As amended it will read thus:—It shall come into force on a day to be notified by Government at least six months before'. The amendment if accepted will only give 6 months' time for these people to adjust their matters. I do not go by this amendment against any of the provisions contained in the bill itself. I request the Honourable Members to accept this amendment, as was said the other day by the Honourable Mover himself, in the interests of the poor who have already been exploited.

Mr. E. Ikkanda Warriar.—Sir, I second it.

Mr. K. T. Mathew.—Sir, I would like to oppose the amendment. I appreciate the arguments put forward by the Hon'ble Member who just spoke in support of the amendment but he can't say that within the period of 6 months no company of this sort will be floated. Within the 6 months asked for many other new companies may come into existence for exploiting the poor. That question we have to consider.

Further, although we pass this legislation now it will come into operation only with the gracious assent of His Highness the Maharaja and two or three months' time will elapse before giving His Highness' assent. If any Company wants to change its policy or adjust its affairs 6 months is more than enough. Such Companies have only to consult a legal adviser and take his opinion and do what is necessary. But now pleading for another 6 months' time is only to get an extended time to defraud the poor and ignorant people.

Mr. Thomas Manjuran.—Sir, I am sorry the Government also is obliged to object to this amendment. I cannot understand why an additional span of 6 months' time should be granted in a case like this. It is not altogether whilst that this additional time of 6 months may be utilised for working 6 months further havoc on the public. This bill is intended to prevent fraud and in principle the time that a party gets for committing fraud should be minimised. If a Company is unable to deposit the security surely an additional 6 months' time may not enable it to deposit it. The amendment does not provide for any safeguards for the proper conduct of these Companies during the extended period that is now asked for. I do not think any useful purpose will be served by introducing such a provision and I, on behalf of the Government, object to the amendment.

Mr. P. Krishna Menon.—Sir, the only argument that was attempted to be brought against my amendment is that this will be giving more time for exploitation and Hon'ble Members

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seem to think that I am getting an additional time of 6 months for this purpose, But what I respectfully submit to the House is that there is no question of fresh Companies being started with this 'Sword of Domocles' hanging over their heads. If in this one year these people will be able to exploit more people, I can only say that this legislation is hardly based upon solid grounds. If as a matter of fact people find that there is an attempt at legislation checking the exploitation, is it reasonable to suppose that others would be bold enough to come out with a proposal to start a Company and it is still more foolish to join in that company. If there is an assurance that no fresh Companies will be started in the meanwhile, the Hon'ble Member has, it seems to me no objection to the extension of the period. How can one give the assurance when we are dealing with about 12 lakhs of people and mischief-mongers will be found in every community? At lesat to nullify the promise I made, somebody may come forward with a proposal to start a Company. Under any circumstances I am not going to give the assurance. But the only assurance that I can give is the solid common sense of our Cochin people.

Amendment put and negatived.

Mr. K. T. Mathew.—Sir, I move that the Cochin Provident Insurance Societies Bill, as amended by the Council, be taken up and passed.

Mr. K. M. Ibrahim.—Sir, I second it.

Motion put and carried.

Amendment to Standing Order No. 31 (1).

Mr. K. T. Mathew.—Sir, I move that the following amendment be taken into consideration:—"Add the following to Standing Order No. 31 (1):—'But any Member may object to its introduction, if a copy of the bill has not been available for the use of Members for seven days and such objection shall prevail unless the President in the exercise of his power to suspend the Standing Order allows its introduction". I think no speech is required since the matter was explained in the last meeting of the Council.

Mr. K. G. Nayar.—Sir, I second it.

Mr. Thomas Manjuran.—Sir, I beg to move the following amendment to Mr. K. T. Mathew's amendment:—

"After the words 'object to its itroduction' and before the words 'if a copy of the Bill' in Mr. Mathew's amendment, introduce the following words:—

"If, in the case of a bill that has been published in the Gazette, a period of one week has not elapsed between such publication and the date of introduction and, in the case of bills for introducing for which leave has been granted by the Council."

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